

103^D CONGRESS
1ST SESSION

H. R. 622

To amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 26, 1993

Mr. McCANDLESS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That subsections (b), (d), (f), (h), (j), and (k) of section
4 203 of the Social Security Act are repealed.

5 SEC. 2. (a) Subsection (c) of section 203 of the Social
6 Security Act is redesignated as subsection (b); and such
7 subsection as so redesignated is amended—

1 (1) by striking out “NONCOVERED WORK OUT-
2 SIDE THE UNITED STATES OR” in the heading;

3 (2) by striking out paragraph (1);

4 (3) by redesignating paragraphs (2), (3), and
5 (4) as paragraphs (1), (2), and (3), respectively;

6 (4) by striking out “For purposes of para-
7 graphs (2), (3), and (4)” and inserting in lieu there-
8 of “For purposes of paragraphs (1), (2), and (3)”;
9 and

10 (5) by striking out the last sentence.

11 (b) Subsection (e) of such section 203 is redesignated
12 as subsection (c); and such subsection as so redesignated
13 is amended by striking out “subsections (c) and (d)” and
14 inserting in lieu thereof “subsection (b)”.

15 (c) Subsection (g) of such section 203 is redesignated
16 as subsection (d); and such subsection as so redesignated
17 is amended by striking out “subsection (c)” each place it
18 appears and inserting in lieu thereof “subsection (b)”.

19 (d) Subsection (i) of such section 203 is redesignated
20 as subsection (e); and such subsection as so redesignated
21 is amended by striking out “subsection (b), (c), (g), or
22 (h)” and inserting in lieu thereof “subsection (b) or (d)”.

23 (e) Subsection (l) of such section 203 is redesignated
24 as subsection (f); and such subsection as so redesignated

1 is amended by striking out “subsection (g) or (h)(1)(A)”
2 and inserting in lieu thereof “subsection (d)”.

3 SEC. 3. (a) Section 202(j)(4)(B) of the Social Secu-
4 rity Act is amended by striking out clause (iv), and by
5 redesignating clause (v) as clause (iv).

6 (b) Section 202(n)(1) of such Act is amended by
7 striking out “Sections 203 (b), (c), and (d)” and inserting
8 in lieu thereof “Section 203(b)”.

9 (c)(1) Section 202(q)(5)(B) of such Act is amended
10 by striking out “section 203(c)(2)” and inserting in lieu
11 thereof “section 203(b)(1)”.

12 (2) Section 202(q)(7)(A) of such Act is amended by
13 striking out “deductions under section 203(b), 203(c)(1),
14 203(d)(1), or 222(b)” and inserting in lieu thereof “de-
15 ductions on account of work under section 203 or deduc-
16 tions under section 222(b)”.

17 (d)(1) Section 202(s)(1) of such Act is amended by
18 striking out “paragraphs (2), (3), and (4) of section
19 203(c)” and inserting in lieu thereof “paragraphs (1), (2),
20 and (3) of section 203(b)”.

21 (2) Section 202(s)(3) of such Act is amended by
22 striking out “The last sentence of subsection (c) of section
23 203, subsection (f)(1)(C) of section 203, and subsections”
24 and inserting in lieu thereof “Subsections”.

1 (e) Section 202(t)(7) of such Act is amended by strik-
2 ing out “Subsections (b), (c), and (d)” and inserting in
3 lieu thereof “Subsection (b)”.

4 (f) Section 202(w)(2)(B)(ii) of such Act is amended
5 to read as follows:

6 “(ii) such individual (I) was not enti-
7 tled to an old-age insurance benefit, (II)
8 suffered deductions, in amounts equal to
9 the amount of such benefit, under section
10 203(b) as in effect in the month or months
11 involved, or (III) would have suffered de-
12 ductions on account of work, in amounts
13 equal to the amount of such benefit (as de-
14 termined under regulations of the Sec-
15 retary), under subsections (b) through (l)
16 of section 203 as in effect immediately
17 prior to the enactment of this clause (III)
18 if such subsections (other than paragraph
19 (8) of subsection (f)) had remained in ef-
20 fect through such month or months.”.

21 (g) Section 203(a)(3)(B)(iii) of such Act is amended
22 by striking out “and subsections (b), (c), and (d)” and
23 inserting in lieu thereof “and subsection (b)”.

24 (h) Section 208(a)(3) of such Act is amended by
25 striking out “under section 203(f) of this title for purposes

1 of deductions from benefits” and inserting in lieu thereof
2 “under section 203 for purposes of deductions from bene-
3 fits on account of work”.

4 (i) Clause (I) in the last sentence of section
5 215(b)(2)(A) of such Act is amended by striking out “no
6 earnings as described in section 203(f)(5) in such year”
7 and inserting in lieu thereof “no wages, and no net earn-
8 ings from self-employment (in excess of net loss from self-
9 employment), in such year”.

10 (j) Section 215(g) of such Act is amended by striking
11 out “and any deduction under section 203(b)”.

12 (k) The third sentence of section 223(d)(4) of such
13 Act is amended by striking out “the exempt amount under
14 section 203(f)(8) which is applicable to individuals de-
15 scribed in subparagraph (D) thereof” and inserting in lieu
16 thereof the following: “an amount equal to the exempt
17 amount which would have been applicable under section
18 203(f)(8), to individuals described in subparagraph (D)
19 thereof, if subsections (b) through (l) of section 203 as
20 in effect in December 1984 had remained in effect through
21 the month in which such earnings were derived”.

22 (l) Section 1612(a) of such Act is amended—

23 (1) by striking out “as determined under sec-
24 tion 203(f)(5)(C)” in paragraph (1)(A) and insert-

1 ing in lieu thereof “as defined in the last sentence
2 of this subsection”, and

3 (2) by adding at the end thereof the following
4 new sentence: “For purposes of paragraph (1)(A),
5 the term “wages” means wages as defined in section
6 209, but computed without regard to the limitations
7 as to amounts of remuneration specified in sub-
8 sections (a), (g)(2), (g)(3), (h)(2), and (j) of such
9 section; and in making such computation services
10 which do not constitute employment as defined in
11 section 210, performed within the United States by
12 an individual as an employee or performed outside
13 the United States in the active military or naval
14 service of the United States, shall be deemed to be
15 employment as so defined if the remuneration for
16 such services is not includible in computing the indi-
17 vidual’s net earnings or net loss from self-employ-
18 ment for purposes of title II; but such term does not
19 include (i) the amount of any payment made to or
20 on behalf of an employee or any of his dependents
21 (including any amount paid by an employer for in-
22 surance or annuities, or into a fund, to provide for
23 any such payment) on account of retirement, or (ii)
24 any payment or series of payments by an employer
25 to an employee or any of his dependents upon or

1 after the termination of the employee's employment
2 relationship because of retirement after attaining an
3 age specified in a plan referred to in section
4 209(m)(2) or in a pension plan of the employer.''.
5

6 (m) Section 2 of the Railroad Retirement Act of 1974
7 is amended by striking out subsections (f) and (g)(2).

8 SEC. 4. The amendments and repeals made by this
9 Act shall be effective with respect to taxable years ending
on and after the date of the enactment of this Act.

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